



Child and Dependent Care Credit Expenses

Probe/Action: To determine if a taxpayer qualifies for the Credit for Child and Dependent Care Expenses, ask the taxpayer for information from the decision tree on the next page.

Who is a qualifying person?

- A qualifying child who was under the age of 13 when the expenses were incurred and for whom a dependency exemption can be claimed, see caution 1 below.
- Any person who was incapable of self-care whom the taxpayer can claim as a dependent or could have claimed as a dependent except that the person had gross income of more than \$3,950 or filed a joint return or that the taxpayer or spouse, if married filing jointly, could be claimed as a dependent on someone else's 2014 return.
- A spouse who was physically or mentally incapable of self-care
- The qualifying person must live with the taxpayer more than 1/2 the year.
- Incapable of self-care - Cannot dress, clean, or feed themselves because of physical or mental problems. Also persons who must have constant attention to prevent them from injuring themselves or others.

See Publication 17, ***Child and Dependent Care Credit*** for special rules regarding divorced or separated parents or parents who live apart.

Qualified work-related expenses

- Expenses must be paid for the care of the qualifying person to allow the taxpayer and spouse, if married, to work or look for work.
- The care includes the costs of services for the qualifying person's well-being and protection.
- Expenses to attend Kindergarten or a higher grade are not an expense for care
- Expenses for summer day-camp are qualifying, but those for over-night camp are not

*Refer to the tables on page C-3 for the rules governing who may be claimed as a dependent.

Caution: Only the custodial parent may claim the child and dependent care credit even if the child's exemption is being claimed by the non-custodial parent under the rules for divorced & separated parents.

Caution: If Dependent Care Benefits are listed in Box 10 of a W2, then the taxpayer MUST complete Form 2441. If Form 2441 is not completed, the Box 10 amount is entered on Line 7 of the 1040 as taxable income.

Note: If your qualifying child turned 13 during the tax year, your qualifying expenses include amounts incurred for the child while under age 13 when the care was provided.